



## Winning Resources and Support

### *Trust Fundraising*

#### **Terry**

Two leading Trust Fundraisers now share their expertise with us. The first is Anthony Clay, a Certified Fellow of the Institute of Fundraising. Anthony has worked as a consultant to help a wide range of organisations to get support from trusts. By contrast, Mark Davies manages the trust fundraising team at just one organisation, Oxfam GB. I began by asking Anthony what, in particular, a Trust Fundraiser brings to an organisation.

#### **Anthony**

First of all, understanding of the need for strategic planning in fundraising. A determination to persuade their employing charity to develop the correct strategies to determine what work they want to do, to look for projects that are relevant to their whole programme of work and definitely not projects that are just there to satisfy some potential Trust fundraiser.

So there's the whole strategic side, the brainstorming, the bringing together of people to understand what the case for support of that charity is. Then there's the understanding of research, how to use the web sites, CD Roms, the books, the other published material, internal knowledge within the charity, into that process of strategy, that becomes the second part I believe, case first then the research. And then developing the process, the action plan that presents that case to those sources of support in this case of Trust fundraisers.

So it's a combination of understanding the case and writing the case, understanding the research and carrying the research out, and developing the strategy that presents that case to those Trusts.

#### **Terry**

So, three key roles - planning, research and making the application. Beginning with planning, Anthony emphasises the importance of having a clear vision for your project.

#### **Anthony**

I don't think it should be a matter of looking at the Trusts that could be interested and then trying to find a project that matches their interest. First of all most Trusts, in my experience, say that they are looking for new things to do, they are not particularly satisfied with the grant aiding that they've done over the years, they want to change and move with the times and indeed be most effective. So they may not themselves know quite how to define what it is that they're looking for, and they don't want to exclude the one project that really gives them immense satisfaction, simply by being too precise in what it is that they fund.

And so if you work from the process of saying, what are they interested in? How can we adapt what we do to meet that interest? I think that's the wrong way round. A better way I think is to say, what does our organisation do? What are the key projects? What are our main priorities now? What are the sort of Trusts that might be interested in those priorities? How can we present those priorities to those Trusts?

#### **Terry**

Balancing an organisation's autonomy with its dependence on a funder, is important here.

#### **Anthony**

Yes, it's a constant issue, its one of the great running themes in Trust fundraising and we have some notable examples of organisations that have gone down a particular route, so that maybe as much as eighty percent of what they do reflects the interests of their funders rather than their original objectives, and its very important that that doesn't happen to a charity.

After all, it is vital that fundraising should not wag the tail of the organisational dog so to speak.

So the essential process is that the charity itself should have its own proper business plan, forward plan, strategic plan whatever it calls it, that recognises where it wishes to go, rather than where the funds are going to come from. Then with that agreed strategy, with a full understanding of it, then one can start looking for Trusts, that one believes might well come to be interested in supporting that cause. It's so important that people understand that it isn't a case of firing off applications to Trusts that seem to fit some sort of criteria. It's much more complicated than that.

I'm a great believer in brainstorming, bringing in people from the service-providing side of the charity and other people, especially involving the Chief Executive, to demonstrate to them, the opportunities that there are out there for Trust fundraising. Not saying we have to adapt what we do in order to meet what Trust fundraisers are looking to fund, but saying how can we present the projects that are in our list of priorities? And it's vitally important that charities should know exactly what they want to do.

### **Terry**

This kind of planning clearly involves a lot of team work, but, as Oxfam's Mark Davies points out, Trust fundraisers need to be comfortable working independently as well as interpreting their organisation's work to external funders.

### **Mark**

Yes team work is important; I think we all have different skills. I think it does need ownership though, it does need somebody to give a direction and essentially I think what we and, again you see, I am talking from the perspective of a big charity, with several different Trust fundraisers, and we would tend to match the application probably to the aptitude of that particular fundraiser in the first place and therefore that element of team work doesn't necessarily come through so strongly.

Where it's undoubtedly useful is that there is one person in the team who has undoubted writing skills and grammatical skills and they will always look over those applications that the others have made because they may have great skills in sourcing the information, in having a hunch about what's going to appeal to the particular Trustees that they are writing to, but that's not sufficient if it's not actually clearly stated on paper. So, you know, that's one element of team work.

Take an example of a Trust approaching us with a certain sum of money to give for work in a particular country, then the obvious steps would be to contact the field staff in that country and, let's just take Tanzania for the sake of an example. We would alert them to this offer and essentially what we are doing much more often than not is using this money to enable new work to happen. I mean Oxfam is a big organisation and it has its own schedules and plans and certain projects that are underway, but additionality to that, enabling new work to happen, is both what the project staff will want and what the Trustees usually will want as well, so you've got an instant match there.

And that just sort of brings me to the point really of what a Trust fundraiser is, to my mind and that's a linking person. Well I use this expression, a Babel fish from the Douglas Adams' Hitchhikers Guide, you know, you are a translator, you are acting as the interpreter between the work that's happening in the field and the interests of the Trust and if you can make those match, you are actually doing a huge service to both parties.

### **Terry**

Being a Babel fish, requires confidence in handling information. Anthony Clay now talks about the way information technology has changed the second fundraising role he mentioned at the beginning of the interview, research.

### **Anthony**

It makes it must faster and easier to sift data. I think the real change came back in the 70s when the Charities Aid Foundation for the first time published the Directory of Grant Making Trusts, a slim little volume it was in those days and very interesting reading it is now. But that publication was divided into sections, environmental, human welfare, arts, whatever it was, so for the first time way back in the 70s we were able to start sifting through Trusts to find out who was going to be most likely to be interested in our particular cause. Electronics have simply speeded up that process, enabled us to sift a much larger amount of data.

The problem is it also speeds up and makes it easier for an exclusion criterion to apply, that might indeed take out the one Trust that is most likely to give to you. So there is nothing like supplementing your electronic research or use of books, with your own knowledge of the market place, knowledge of which Trusts have given in the past, and especially the knowledge of who knows your organisation. So an integral part of the whole research process must be to get your Trustees, other members of staff, Chief Executive, the really key people in the organisation to think about Trust fundraising, think about the people that they know, think about the people they've met in the past, think about all those people that are involved with Trusts, especially members of the legal profession.

### **Terry**

However well-researched a project, Trusts and the organisations they fund can differ about precisely what costs should be included in an application.

### **Anthony**

I think its probably less of a problem than it used to be in the sense that I think Trusts nowadays, particularly the larger ones (and some of them are extremely well managed, with highly experienced administrators, often much more experienced than the Trust fundraisers in fact), those organisations I think do recognise that the charity must be funded, must have its basic core funding, its administration costs, and so on and so forth, otherwise it won't exist, or it'll just exist doing various projects in a rather uncoordinated way, and I think there's a real professional understanding of that problem.

I suppose the ideal solution is that every project that comes forward for Trust fundraising should have built into it an administrative overhead, that contributes more than just the cost of the administration of that project, but also makes a contribution to the charity overhead. There are some Trusts that will look at that askance and say 'no we only fund special projects we will not fund the essential overhead', but in my experience the larger Trusts, those that really understand the ways of the world better than the others, do recognise that need.

I have one client that has something like twenty eight projects funded by Trusts and I think probably about twelve percent of all those project costs are in fact central administration costs and that enables the Trust fundraising programme to make quite a distinct contribution towards the overall running costs, something which the Trust funders are aware of and accept, and indeed in one particular case, encourage.

### **Terry**

Mark Davies' perspective on costs, working within a large charity, is slightly different.

### **Mark**

From the vantage of a big organisation we can be relatively confident that we will get a significant amount of core funding from the general database, from the 'two-pound-a-month' givers of which we have half a million or so. That kind of income gives the organisation the security and the stability to do more adventurous sort of work itself and we're not doing a great deal of general fundraising from Trusts, to be honest. There's no great pressure, there's no great demand, it doesn't fit within the strategy. What we're being asked to do is to fund this new work. So from that vantage point..... I haven't answered y our question particularly cleverly. From a small organisation's point of view I think its a question of getting to know them a bit better I mean, I think you've already got across one hurdle by the fact that you are talking to a trustee, or even writing to one, because they are in the charity world as such and they should, if anybody's going to appreciate the fact that things don't just happen without, you know, without an office, without a phone, without putting a stamp on the envelope that

you sent to them. There should be an understanding there anyway, it doesn't say that there always will be, but I think you are on slightly safer ground with Trusts for that reason than perhaps you would be with individuals.

### **Terry**

As you may recall, the third Trust fundraising role mentioned by Anthony Clay was converting the planning, research and costing, into an application. Anthony now shares his experience of a successful application, where the Trust itself played a key role in strengthening the project.

### **Anthony**

I'd like to take as an example an environmental charity, quite a small locally based environmental charity, that had a very big idea. A big idea that was going to cost up to twenty million pounds, for an organisation with an annual income from fundraising of less than two million. Big idea is certainly the word. They needed a major Trust to provide a very major grant, and early on in the process. The basic project is to acquire land and manage it in a particular way. So they needed some money up front before they'd actually bought any land. They knew exactly what they wanted to do. They had a very clear idea for that.

We were very careful to write their case for support for this project in a full understanding of what one particular grant making Trust, we felt, was looking for at this time. A Trust that had said that it was looking for environmental projects and found it difficult to find environmental projects of a certain quality. That idea was put together in a brief document which was then presented to the administrator of that grant making Trust, who was persuaded, without a lot of difficulty, to make a site visit. If an administrator of a grant making Trust makes a site visit I would say you can, as a rule of thumb, you can say you would probably get something, the question is how much. That site visit raised a number of very important questions, some of which were quite challenging. A very intelligent, very experienced Trust administrator at work here. That resulted in a change not to the concept of the plan, but the way in which the case was presented.

There was also, in this particular example, a very strong concern about the benefit to local people of the project, and did the local people realise this benefit, because if you create a nature reserve next to a perhaps rather unattractive housing estate that will enhance the value of those houses, and the Trust administrator pointed out that this ought to be brought into the equation. And so local people must be more involved and also involved in a way that reflects their understanding that their house values were increasing. The first grant that came in from that request was about ten percent of what we were hoping for, but the important thing, and really illustrates the point was that it came with a letter that said the Trustees were still concerned about one particular issue, and that was the issue of involvement of the local people. That was addressed, nine months later another application was put in, another visit in fact by the administrator and that resulted in a in a grant of three hundred and thirty thousand pounds.

### **Terry**

Mark Davies confirms the effectiveness of a site visit, but this time by the fundraiser, rather than the Trust administrator

### **Mark**

There was recently quite a large application where I was finding difficulty actually understanding what was happening on a daily basis. We often get a lot of good information about the background, the rationale, the objectives, but the how it's done on a daily basis is often very difficult to perceive from this sort of distance. So we decided that I would go out there, I would actually spend a week with the field office team and look at slum work in India and I came away thoroughly enlightened. And so that enabled me to actually put in a bit of human interest as well and I think that that should not be forgotten. There's an assumption often that Trust fundraising is very dull and boring and very formulaic.

That wouldn't be necessarily the case. I mean that might be the case in some instances but one always has to remember that you're writing to human beings and they should be

interested in human stories. We always try to enliven them a little bit by getting it down to that sort of level of how an individual will benefit from the particular work in question. And, yeah, it worked I think. Even I thought it was a jolly good read and it's not often that you think that, and other colleagues of mine thought that, it's not just me being vain! Other colleagues wanted to read this, because it was very interesting to see what people were doing and what effect was being had. You don't often get that with a lot of Trust applications I guess.

### **Terry**

So the human factor is essential, a point amplified by Anthony Clay

### **Anthony**

I think the biggest misunderstanding about Trust fundraising is that what is involved is a desk, a word processor and a computer programme that will run the CD Rom or whatever, so it's just a desk job really. And indeed there are people who are making very successful applications in that way - never speaking to administrators. I think that's the wrong approach.

I have spent a lot of my life trying to work out what makes a good fundraiser. I don't think it necessarily requires huge intellect, I don't think it requires necessarily remarkable enthusiasm for one particular project. I think it's to do with interpersonal skills, not smarming but to have a certain amount of charm and a certain amount of refreshing enthusiasm.

A very nice illustration I'd like to give of this is somebody I know who I think is one of the best Trust fundraisers around, who quite frequently sends friendly little post cards when they are on holiday, to Trust administrators. Now I'm sure Trust administrators will not thank me for suggesting that they should have floods of people's holiday postcards, but it shows the sort of attitude, it shows an attitude of mind that even when on holiday, you just spend a few moments to send a postcard (preferably a quite amusing postcard) to somebody you know is probably not thinking of your project every moment of the day but you'd quite like them to be thinking of it more than they do. It's establishing that sort of relationship that really is the most critical point, though that does not mean to say, that you can get away with a lot of charm and some thoroughly badly written applications.

We know from what Trust administrators tell us, that there are very good reasons why most applications are turned down, beyond the fact they haven't got enough money to fund them all. And a key one of those is that people simply haven't read the guidelines. That is the commonest reason, they say, this application does not reflect what we are looking for. And all the charm in the world will not overcome the difficulty of the final decision-maker looking at an application in writing and saying, they don't understand what we are looking for.

### **Terry**

Applying for and spending money from Trusts involves questions of accountability and ethics. Anthony recommends a useful source of advice here.

### **Anthony**

I'd particularly like to draw attention to the Code of Practice for Trust fundraising of the Institute of Fundraising. Although that's not in a text book, or it's not a book anyway, it is a document which I think covers some very important issues about the management of Trust fundraising beyond the point at which the money is actually received.

What should you do, for example, if you realise that the project is possibly not going to be completed? What do you do if you discover that some matched funding that you were relying on which supported your Trust application, is not forthcoming? Should you send the money back? Should you tell the Trust, and at what stage should you tell the Trust, and so on and so forth.

All these points are covered in that Code of Practice and they stress really quite clearly, those things which are mandatory by law - the 'must' things or the 'must not' things, those things which we feel that are absolutely essential for anybody who aspires to be a member of the Institute of Fundraising, the things that you definitely should do or should not do, and the things that we describe as the 'ought' things, the things that we think probably on balance,

best practice says that you ought to do this or ought not to do that. And these are really clearly listed in the Code of Practice for Trust fundraising as indeed in other Institute Codes of Practice for other aspects of fundraising.

**Terry**

Sometimes, as Mark Davis points out best practice in Trust fundraising can be a question of knowing when to say 'No'.

**Mark**

I see the Trust fundraiser's job, in that instance, as being either to sell the different line of the organisation to the potential donor, to say 'look we understand why you are saying you want to fund this particular area but that's not quite what we do, what we do is such and such, because A, B, C' and try to persuade them in that way. That's perfectly acceptable and that's I think, that's quite appropriate for and will be appreciated ultimately by the funder themselves.

And the other thing is to not just get those dollar signs in your eyes, and say 'no'. Actually, in my experience, you get a lot of credit for not snatching at money. It is a slow process, fundraising, very often, and if you don't have precisely the right sort of project for the funder in question it's often worth being honest about that and saying no and waiting for the right moment. It's a square pegs into round holes situation.

**Terry**

I asked Mark what kind of ethical issues Trust fundraising presented in his experience.

**Mark**

Fortunately very few. It's something which I am thankful for very often, compared to the huge dilemmas that my colleagues in Corporate fundraising have to engage with on an almost daily basis essentially. There is pretty much an understanding that any Charitable Trust, which has been registered with the Charity Commission, is going to be appropriate. There are exceptions to that and we do leave it essentially to individual discretion and judgement so I won't name names. But there are some Corporate or some Company Trusts which would obviously would not sit very comfortably with Oxfam's ideals and aims and so therefore we might take a decision not to take money from that particular Trust, just on the basis of the name. It's the public perception really.

One can often as a fundraiser, I am often in fact very tempted, to think that the ends justify the means, or rather saying no to the money is actually penalising the poor people of the world that we are working for because that money can actually be used for good effect. But one has to balance that against the counterproductive effect that it might have if it's a particularly bad match and it would just put off members of the public and we'd lose support in that way. So we're looking at that kind of issue quite often.

**Terry**

While agreeing one hundred percent on the importance of ethical behaviour Anthony emphasises the need to balance interests in what can be a complicated area.

**Anthony**

I think I'm a little bit of a Maverick here. I wouldn't say that I don't care about ethical issues. I think obviously they are critically important. But I think there have been very good examples of what would have otherwise been successful fundraising, that was damaged simply by somebody having very, very precise and very clear ethical standards of their own which might indeed not necessarily be applicable to that particular organisation.

I'm thinking for example of an environmental charity that wasn't in any way concerned with health or cancer, accepting money from a tobacco manufacturer, or a subsidiary of a tobacco manufacturer. That has happened and I believe that is acceptable. I believe it's acceptable under certain circumstances, or it may be acceptable under certain circumstances, for an environmental charity to accept money from an oil company. You have to know why it's being done. You have to understand the full issues.

The most important single thing is to determine what your ethical standards are, where you will accept money from. For example, if you were a cancer charity I would think it would be totally inappropriate to accept money from a tobacco manufacturer, or a Trust set up even by a tobacco manufacturer. Or even, I think, probably, from an organisation that is a wholly-owned subsidiary of a tobacco manufacturer, a company for example that doesn't in fact manufacture tobacco. Because although one could argue that here is a tobacco manufacturer diversifying away from producing these harmful tobacco products, never the less it is that organisation, and it would be quite inappropriate for a cancer charity that I would imagine would always be opposed to tobacco, to take money from that source.

But for an environmental charity I don't know. I think you could argue this till the cows come home. The fact of the matter is that some people will take one view and some people will take another, but if ethics is sort of written large on your office wall to such an extent that you don't take money from Trusts, where quite possibly you are really being too ethical by saying no, then the cause that you exist to serve, or the people that you exist to serve, may not get the money, that would change, possibly transform their lives. And I think it's awful, if we just bow the knee to ethics, without thinking of those other issues as well.